TO: President Eric J. Barron

FROM: Carolyn Egan
      General Counsel

DATE: December 13, 2012

SUBJECT: Proposed Direct Support Organization – Florida State University Athletics Association

In support of the creation of the Florida State University Athletics Association, I have attached copies of the following:

Section 1001.706(6)(d), Florida Statutes
Section 215.425(4), Florida Statutes
Proposed draft bylaws for FSUAA
The 2012 Florida Statutes

Title XLVIII  K-20 EDUCATION CODE
Chapter 1001  K-20 GOVERNANCE

1001.706  Powers and duties of the Board of Governors.—

(1) GENERAL PROVISIONS.—For each constituent university, the Board of Governors, or the board’s designee, shall be responsible for cost-effective policy decisions appropriate to the university’s mission, the implementation and maintenance of high-quality education programs within law, the measurement of performance, the reporting of information, and the provision of input regarding state policy, budgeting, and education standards.

(2) REGULATORY AUTHORITY.—

(a) Pursuant to s. 7, Art. IX of the State Constitution, the Board of Governors has the authority to regulate the State University System and may adopt a regulation development procedure for the Board of Governors and the university boards of trustees to use in implementing their constitutional duties and responsibilities.

(b) The Board of Governors shall be subject to the provisions of chapter 120 when acting pursuant to statutory authority derived from the Legislature, except that the Board of Governors may adopt regulations if expressly authorized or required by law. Such regulations must be adopted pursuant to a development procedure that complies with paragraph (c). If the Board of Governors delegates a power or duty to a university board of trustees as the designee, the authority to adopt rules or regulations is included in the delegation. If the Board of Governors delegates a statutory power or duty to a university board of trustees, the university board of trustees shall be subject to the provisions of chapter 120 but may adopt regulations to the same extent as the Board of Governors under this subsection.

(c) The development procedure for regulations authorized or required by law must provide for notice to the public of, and an opportunity for public comment on, the proposed adoption, amendment, or repeal of a regulation; a process for a substantially affected person to challenge a statement of general applicability that has not been properly adopted as a regulation; a process for a substantially affected person to challenge an unlawful regulation; and a process for the adoption of and challenges to emergency regulations that are necessary to protect the public interest in the emergency. Judicial review shall be sought in the appellate district in which the headquarters of the Board of Governors is located or in which the main campus of the state university is located, as applicable. The regulation development procedure shall be published prominently on the websites of the Board of Governors and the state universities.

(3) POWERS AND DUTIES RELATING TO ORGANIZATION AND OPERATION OF STATE UNIVERSITIES.—

(a) The Board of Governors, or the board’s designee, shall develop guidelines and procedures related to data and technology, including information systems, communications systems, computer hardware and software, and networks.

(b) The Board of Governors shall develop guidelines relating to divisions of sponsored research, pursuant to the provisions of s. 1004.22, to serve the function of administration and promotion of the programs of research.
(c) The Board of Governors shall prescribe conditions for direct-support organizations and university health services support organizations to be certified and to use university property and services. Conditions relating to certification must provide for audit review and oversight by the Board of Governors.

(d) The Board of Governors shall develop guidelines for supervising faculty practice plans for the academic health science centers.

(e) The Board of Governors shall ensure that students at state universities have access to general education courses as provided in the statewide articulation agreement, pursuant to s. 1007.23.

(f) The Board of Governors shall approve baccalaureate degree programs that require more than 120 semester credit hours of coursework prior to such programs being offered by a state university. At least half of the required coursework for any baccalaureate degree must be offered at the lower-division level, except in program areas approved by the Board of Governors.

(g) The Board of Governors, or the board's designee, shall adopt a written anti-hazing policy, appropriate penalties for violations of such policy, and a program for enforcing such policy.

(h) The Board of Governors, or the board's designee, may establish a uniform code of conduct and appropriate penalties for violations of its regulations by students and student organizations, including regulations governing student academic honesty. Such penalties, unless otherwise provided by law, may include reasonable fines, the withholding of diplomas or transcripts pending compliance with regulations or payment of fines, and the imposition of probation, suspension, or dismissal.

(i) The Board of Governors shall adopt regulations requiring universities to use purchasing agreements or state term contracts pursuant to s. 287.056 or enter into consortia and cooperative agreements to maximize the purchasing power for goods and services. A consortium or cooperative agreement may be statewide, regional, or a combination of institutions, as appropriate to achieve the lowest cost, with the goal of achieving a 5-percent savings on existing contract prices through the use of new cooperative arrangements or new consortium contracts.

(4) POWERS AND DUTIES RELATING TO FINANCE.—

(a) The Board of Governors, or the board's designee, shall account for expenditures of all state, local, federal, and other funds. Such accounting systems shall have appropriate audit and internal controls in place that will enable the constituent universities to satisfactorily and timely perform all accounting and reporting functions required by state and federal law and rules.

(b) The Board of Governors shall prepare the legislative budget requests for the State University System, including a request for fixed capital outlay, and submit them to the State Board of Education for inclusion in the K-20 legislative budget request. The Board of Governors shall provide the state universities with fiscal policy guidelines, formats, and instruction for the development of individual university budget requests.

(c) The Board of Governors, or the board's designee, shall establish tuition and fees pursuant to ss. 1009.24 and 1009.26, unless otherwise provided in law.

(d) The Board of Governors, or the board's designee, is authorized to secure comprehensive general liability insurance pursuant to s. 1004.24.

(e) The Board of Governors may transfer unused appropriations from the Education/General Student and Other Fees Trust Fund, pursuant to s. 1011.4106(2), between institutions.

(5) POWERS AND DUTIES RELATING TO ACCOUNTABILITY.—

(a) The Legislature intends that the Board of Governors shall align the missions of each constituent university with the academic success of its students; the national reputation of its faculty and its academic and research programs; the quantity of externally generated research, patents, and licenses; and the strategic and accountability plans required in paragraphs (b) and (c). The mission alignment and strategic
plan shall consider peer institutions at the constituent universities. The mission alignment and strategic plan shall acknowledge that universities that have a national and international impact have the greatest capacity to promote the state’s economic development through: new discoveries, patents, licenses, and technologies that generate state businesses of global importance; research achievements through external grants and contracts that are comparable to nationally recognized and ranked universities; the creation of a resource rich academic environment that attracts high-technology business and venture capital to the state; and this generation’s finest minds focusing on solving the state’s economic, social, environmental, and legal problems in the areas of life sciences, water, sustainability, energy, and health care. A nationally recognized and ranked university that has a global perspective and impact shall be afforded the opportunity to enable and protect the university’s competitiveness on the global stage in fair competition with other institutions of other states in the highest Carnegie Classification.

(b) The Board of Governors shall develop a strategic plan specifying goals and objectives for the State University System and each constituent university, including each university’s contribution to overall system goals and objectives. The strategic plan must:

1. Include performance metrics and standards common for all institutions and metrics and standards unique to institutions depending on institutional core missions, including, but not limited to, student admission requirements, retention, graduation, employment, continued education, licensure passage, excess hours, student loan burden and default rates, faculty awards, total annual research expenditures, patents, licenses and royalties, intellectual property, startup companies, annual giving, endowments, and well-known, highly respected national rankings for institutional and program achievements.

2. Consider reports and recommendations of the Higher Education Coordinating Council pursuant to s. 1004.015 and the Articulation Coordinating Committee pursuant to s. 1007.01.

3. Include student enrollment and performance data delineated by method of instruction, including, but not limited to, traditional, online, and distance learning instruction.

(c) The Board of Governors shall develop an accountability plan for the State University System and each constituent university. The accountability plan must address institutional and system achievement of goals and objectives specified in the strategic plan adopted pursuant to paragraph (b) and must be submitted as part of its legislative budget request.

(d) Beginning in the 2014-2015 academic year and annually thereafter, the Board of Governors shall require a state university prior to registration to provide each enrolled student electronic access to the economic security report of employment and earning outcomes prepared by the Department of Economic Opportunity pursuant to s. 445.07. In addition, the Board of Governors shall require a state university to provide each student electronic access to the following information each year prior to registration using the data described in s. 1008.39:

1. The top 25 percent of degrees reported by the university in terms of highest full-time job placement and highest average annualized earnings in the year after earning the degree.

2. The bottom 10 percent of degrees reported by the university in terms of lowest full-time job placement and lowest average annualized earnings in the year after earning the degree.

(e) The Board of Governors shall maintain an effective information system to provide accurate, timely, and cost-effective information about each university. The board shall continue to collect and maintain, at a minimum, management information as such information existed on June 30, 2002.

(f) If the Board of Governors of the State University System determines that a state university board of trustees is unwilling or unable to address substantiated allegations made by any person relating to waste, fraud, or financial mismanagement within the state university, the Office of the Inspector General shall investigate the allegations.
(g) The Board of Governors may consider waiving its regulations and may waive or modify the tuition differential use requirements under s. 1009.24(16)(a). If not currently authorized, the Board of Governors may request authority from the Legislature to waive or modify specific statutory requirements, including percentages and dollar amount limitations in s. 1009.24, in order to reduce barriers and support the attainment of goals identified in institutional plans, as necessary for advancing system priorities and unique institutional priorities. Regulatory flexibilities authorized and statutory flexibilities authorized or requested by the Board of Governors pursuant to this paragraph must be included in the accountability plan prepared and submitted pursuant to paragraph (c).

(6) POWERS AND DUTIES RELATING TO PERSONNEL.—

(a) The Board of Governors, or the board’s designee, shall establish the personnel program for all employees of a state university. The Board of Governors shall confirm the presidential selection and reappointment by a university board of trustees as a means of acknowledging that system cooperation is expected.

(b) The Department of Management Services shall retain authority over state university employees for programs established in ss. 110.123, 110.1232, 110.1234, 110.1238, and 110.161 and in chapters 121, 122, and 238. Unless specifically authorized by law, neither the Board of Governors nor a state university may offer group insurance programs for employees as a substitute for or as an alternative to the health insurance programs offered pursuant to chapter 110.

(c) Except as otherwise provided by law, university employees are public employees for purposes of chapter 112 and any payment for travel and per diem expenses shall not exceed the level specified in s. 112.061.

(d) Each contract or employment agreement, or renewal or renegotiation of an existing contract or employment agreement, containing a provision for severance pay with an officer, agent, employee, or contractor must include the provisions required in s. 215.425.

(7) POWERS AND DUTIES RELATING TO PROPERTY.—

(a) The Board of Governors shall develop guidelines for university boards of trustees relating to the acquisition of real and personal property and the sale and disposal thereof and the approval and execution of contracts for the purchase, sale, lease, license, or acquisition of commodities, goods, equipment, contractual services, leases of real and personal property, and construction. The acquisition may include purchase by installment or lease-purchase. Such contracts may provide for payment of interest on the unpaid portion of the purchase price. Title to all real property acquired prior to January 7, 2003, and to all real property acquired with funds appropriated by the Legislature shall be vested in the Board of Trustees of the Internal Improvement Trust Fund and shall be transferred and conveyed by it. Notwithstanding any other provisions of this subsection, each board of trustees shall comply with the provisions of s. 287.055 for the procurement of professional services as defined therein. Any acquisition pursuant to this paragraph is subject to the provisions of s. 1010.62.

(b) The Board of Governors shall develop guidelines for university boards of trustees relating to the use, maintenance, protection, and control of university-owned or university-controlled buildings and grounds, property and equipment, name, trademarks and other proprietary marks, and the financial and other resources of the university. Such authority may include placing restrictions on activities and on access to facilities, firearms, food, tobacco, alcoholic beverages, distribution of printed materials, commercial solicitation, animals, and sound. The authority provided the board of trustees in this subsection includes the prioritization of the use of space, property, equipment, and resources and the imposition of charges for those items.

(c) The Board of Governors, or the board’s designee, shall administer a program for the maintenance
and construction of facilities pursuant to chapter 1013.

(d) The Board of Governors, or the board’s designee, shall ensure compliance with the provisions of s. 287.09451 for all procurement and ss. 255.101 and 255.102 for construction contracts, and rules adopted pursuant thereto, relating to the utilization of minority business enterprises, except that procurements costing less than the amount provided for in CATEGORY FIVE as provided in s. 287.017 shall not be subject to s. 287.09451.

(e) Notwithstanding the provisions of s. 253.025 but subject to the provisions of s. 1010.62, the Board of Governors, or the board’s designee, may, with the consent of the Board of Trustees of the Internal Improvement Trust Fund, sell, convey, transfer, exchange, trade, or purchase real property and related improvements necessary and desirable to serve the needs and purposes of the university.

1. The Board of Governors, or the board’s designee, may secure appraisals and surveys. The Board of Governors, or the board’s designee, shall comply with the rules of the Board of Trustees of the Internal Improvement Trust Fund in securing appraisals. Whenever the Board of Governors, or the board’s designee, finds it necessary for timely property acquisition, it may contract, without the need for competitive selection, with one or more appraisers whose names are contained on the list of approved appraisers maintained by the Division of State Lands in the Department of Environmental Protection.

2. The Board of Governors, or the board’s designee, may negotiate and enter into an option contract before an appraisal is obtained. The option contract must state that the final purchase price may not exceed the maximum value allowed by law. The consideration for such an option contract may not exceed 10 percent of the estimate obtained by the Board of Governors, or the board’s designee, or 10 percent of the value of the parcel, whichever is greater, unless otherwise authorized by the Board of Governors or the board’s designee.

3. This paragraph is not intended to abrogate in any manner the authority delegated to the Board of Trustees of the Internal Improvement Trust Fund or the Division of State Lands to approve a contract for purchase of state lands or to require policies and procedures to obtain clear legal title to parcels purchased for state purposes. Title to property acquired by a university board of trustees prior to January 7, 2003, and to property acquired with funds appropriated by the Legislature shall vest in the Board of Trustees of the Internal Improvement Trust Fund.

(f) The Board of Governors, or the board’s designee, shall prepare and adopt a campus master plan pursuant to s. 1013.30.

(g) The Board of Governors, or the board’s designee, shall prepare, adopt, and execute a campus development agreement pursuant to s. 1013.30.

(h) Notwithstanding the provisions of s. 216.351, the Board of Governors, or the board’s designee, may authorize the rent or lease of parking facilities provided that such facilities are funded through parking fees or parking fines imposed by a university. The Board of Governors, or the board’s designee, may authorize a university board of trustees to charge fees for parking at such rented or leased parking facilities.

(8) COMPLIANCE WITH LAWS, RULES, REGULATIONS, AND REQUIREMENTS.—The Board of Governors has responsibility for compliance with state and federal laws, rules, regulations, and requirements.

(9) COOPERATION WITH OTHER BOARDS.—The Board of Governors shall implement a plan for working on a regular basis with the State Board of Education, the Commission for Independent Education, the Higher Education Coordinating Council, the Articulation Coordinating Committee, the university boards of trustees, representatives of the Florida College System institution boards of trustees, representatives of the private colleges and universities, and representatives of the district school boards to achieve a seamless education system.
(10) PROHIBITION.—The Board of Governors is prohibited from assessing any fee on state universities, unless specifically authorized by law.

(11) AUTHORIZATION TO REVOKE OR MODIFY.—The Board of Governors may revoke or modify the scope of any power or duty it has delegated.

History.—s. 76, ch. 2007-217; s. 3, ch. 2009-60; s. 1, ch. 2009-213; s. 11, ch. 2010-78; s. 24, ch. 2011-5; s. 5, ch. 2012-134; s. 5, ch. 2012-195.
The 2012 Florida Statutes

Title XIV
TAXATION AND FINANCE

Chapter 215
FINANCIAL MATTERS: GENERAL PROVISIONS

215.425 Extra compensation claims prohibited; bonuses; severance pay.—

(1) No extra compensation shall be made to any officer, agent, employee, or contractor after the service has been rendered or the contract made; nor shall any money be appropriated or paid on any claim the subject matter of which has not been provided for by preexisting laws, unless such compensation or claim is allowed by a law enacted by two-thirds of the members elected to each house of the Legislature. However, when adopting salary schedules for a fiscal year, a district school board or community college district board of trustees may apply the schedule for payment of all services rendered subsequent to July 1 of that fiscal year.

(2) This section does not apply to:

(a) A bonus or severance pay that is paid wholly from nontax revenues and nonstate-appropriated funds, the payment and receipt of which does not otherwise violate part III of chapter 112, and which is paid to an officer, agent, employee, or contractor of a public hospital that is operated by a county or a special district; or

(b) A clothing and maintenance allowance given to plainclothes deputies pursuant to s. 30.49.

(3) Any policy, ordinance, rule, or resolution designed to implement a bonus scheme must:

(a) Base the award of a bonus on work performance;

(b) Describe the performance standards and evaluation process by which a bonus will be awarded;

(c) Notify all employees of the policy, ordinance, rule, or resolution before the beginning of the evaluation period on which a bonus will be based; and

(d) Consider all employees for the bonus.

(4)(a) On or after July 1, 2011, a unit of government that enters into a contract or employment agreement, or renewal or renegotiation of an existing contract or employment agreement, that contains a provision for severance pay with an officer, agent, employee, or contractor must include the following provisions in the contract:

1. A requirement that severance pay provided may not exceed an amount greater than 20 weeks of compensation.

2. A prohibition of provision of severance pay when the officer, agent, employee, or contractor has been fired for misconduct, as defined in s. 443.036(30), by the unit of government.

(b) On or after July 1, 2011, an officer, agent, employee, or contractor may receive severance pay that is not provided for in a contract or employment agreement if the severance pay represents the settlement of an employment dispute. Such severance pay may not exceed an amount greater than 6 weeks of compensation. The settlement may not include provisions that limit the ability of any party to the settlement to discuss the dispute or settlement.

(c) This subsection does not create an entitlement to severance pay in the absence of its authorization.
(d) As used in this subsection, the term "severance pay" means the actual or constructive compensation, including salary, benefits, or perquisites, for employment services yet to be rendered which is provided to an employee who has recently been or is about to be terminated. The term does not include compensation for:
1. Earned and accrued annual, sick, compensatory, or administrative leave;
2. Early retirement under provisions established in an actuarially funded pension plan subject to part VII of chapter 112; or
3. Any subsidy for the cost of a group insurance plan available to an employee upon normal or disability retirement that is by policy available to all employees of the unit of government pursuant to the unit's health insurance plan. This subparagraph may not be construed to limit the ability of a unit of government to reduce or eliminate such subsidies.

(5) Any agreement or contract, executed on or after July 1, 2011, which involves extra compensation between a unit of government and an officer, agent, employee, or contractor may not include provisions that limit the ability of any party to the agreement or contract to discuss the agreement or contract.

History.—Formerly s. 11, Art. XVI of the Constitution of 1885, as amended; converted to statutory law by s. 10, Art. XII of the Constitution as revised in 1968; s. 27, ch. 79-190; s. 1, ch. 80-114; s. 35, ch. 84-336; s. 3, ch. 92-90; s. 83, ch. 92-279; s. 55, ch. 92-326; s. 2, ch. 95-169; s. 5, ch. 98-320; s. 8, ch. 99-259; s. 1, ch. 2011-143; s. 24, ch. 2012-5.
BYLAWS
Florida State University Athletics Association, Inc.
(A Not-For-Profit Corporation)

ARTICLE I
Board of Directors

Section 1. Membership and Term of Office. The Board of Directors shall consist of up to five voting members. Directors shall be appointed by the University President. Directors shall serve three-year renewable terms and appointments shall be staggered so that one-third of the appointments will be up for renewal each year.

Section 2. Powers and Duties of the Board of Directors. The affairs, activities, and concerns of the Corporation shall be vested in the Board of Directors. The affairs of the Corporation include providing financial and administrative support to the University’s varsity sports as deemed necessary and appropriate by the University President. All management functions shall be exercised by the Board of Directors. The Board of Directors shall approve operating budgets on an annual basis. These budgets shall be approved by the University President and recommended by the President to the University Board of Trustees for approval. The President of Florida State University shall have authority and responsibility to monitor and control the use of the University’s resources and name, monitor compliance of the Corporation with federal and state laws, and approve contributions of funds or supplements to support intercollegiate athletics. The University President shall review quarterly expenditure plans. The Corporation and its Directors shall comply with all regulations adopted by the Florida Board of Governors and University Board of Trustees with regard to the operation of direct-support organizations. By accepting an appointment, Directors agree to abide by all rules and regulations, now-existing and as modified, of the National Collegiate Athletic Association and of the Atlantic Coast Conference, including principles of institutional control and shared responsibility. Directors recognize that final authority for all intercollegiate athletics matters resides with the University President and that Directors shall exercise no control over or interfere with the day-to-day operations of the University’s intercollegiate athletics program.

Section 3. Meetings. A regular annual meeting of the Board of Directors shall be held at a date and time set by the Board of Directors. Notice of the meeting, signed by the Secretary, shall be provided to each Director at least seven days before the time appointed for the meeting. Special meetings of the Board may be called by two or more Directors or by the President of the University with less notice. The President of the University shall act as Chair of the Board of Directors and shall preside at meetings of the Board of Directors; in the absence of the President of the University, the Board may appoint any Director to preside. Proxies, general or special, shall not be accepted for any purpose in the meetings of the Board of Directors.

Section 4. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is not present, a majority of those present may adjourn the meeting without further notice.

Section 5. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws, provided that the University President votes in favor of the majority.
Section 6. Vacancies. In the case of a vacancy, additional appointments shall be filled by the President as the President deems appropriate.

Any question as to the priority of business shall be decided by the Chair without debate. This order of business may be altered or suspended at any meeting by a majority vote of the members present.

ARTICLE II
Removal of Members

Any Board member appointed by the University President may be removed by the University President upon written notice.

ARTICLE III
Officers

Section 1. Number. The officers of this corporation shall be a President, a Vice President, a Secretary, and a Treasurer. Directors may serve in one or more officer roles.

Section 2. Appointment. The officers shall be appointed by the President of Florida State University, shall serve for a term of one (1) year, and may be reappointed. However, the President of the Corporation shall be selected by the Board of Directors based upon the recommendation of the University President and shall report directly to the University President.

Section 3. Duties of Officers. The duties and powers of the officers of the Corporation shall be as follows:

President. The President of this Corporation (who shall be a Director) shall be a member ex officio, with the right to vote, on all committees. At the regular annual meeting of the Board of Directors and at such other times as he deems proper, he shall communicate to the Board of Directors such matters and make such suggestions as may in his opinion tend to promote the prosperity and usefulness of the Corporation. The President of this Corporation shall act as the Chief Executive Officer of this corporation and shall do and perform such other duties as may be assigned to him by the Board of Directors. The President of this Corporation is authorized to execute, in the name of Florida State University Athletics Association, Inc., with the Secretary attesting, all certificates, contracts, deeds, notes and other documents or legal instruments authorized or issued by the Board of Directors. In the absence or unavailability of the President of the Corporation to execute in the name of Florida State University Athletics Association, Inc., all certificates, contracts, deeds, notes and other documents or legal instruments authorized or issued by the Board of Directors, any member of the Executive Committee may sign on behalf of the Corporation with the Secretary attesting to the authority of the officer/director and the authenticity of the signature. To facilitate the day-to-day operation of the Corporation, the President of the Corporation, or his or her designee, is authorized to make expenditures and/or obligations outside of the approved budget in amounts up to $10,000, with such expenditures and/or obligations presented for information purposes to the Board of Directors at its next meeting. The President of this Corporation or his/her designee is also authorized to negotiate, enter into and execute contracts and to fix and collect fees, other payments, and donations that may accrue by reason thereof.
Vice President. The Vice President shall assist the President in carrying out the programs of the Corporation. In the event of the prolonged absence or disability of the President of the Corporation, the Board shall appoint the Vice President as acting President, and, as such the acting President shall have all the authority and duties vested in the President.

Secretary. The Secretary shall keep full and accurate minutes of all meetings of the Board of Directors and Executive Committee in a book provided for that purpose and shall transmit all notices required by the Bylaws of this corporation. The Secretary shall have custody of the corporate seal of this corporation. The Secretary may sign documents with the President in the name of this corporation and, when required, shall affix thereto the seal of the Corporation. The Secretary shall have charge of all official records of this corporation which shall be at all reasonable times open to the inspection of any Director, and shall in general perform all duties incident to the management of the office of Secretary for the Board of Directors. The Secretary shall exercise such authority to collect revenues and make routine expenditures delegated by the Board of Directors, the Executive Committee, or the President. In the absence or unavailability of the Secretary to attest to the execution of the documents referenced above, the Treasurer of the Corporation is designated to attest to the authority of the officer/director and, when required, to affix thereto the seal of the Corporation.

Treasurer. The Treasurer shall render to the Board of Directors an account and statement of all major financial transactions at the annual meeting of the Board and at other times as the Board may determine. The Treasurer will prepare an annual budget for the corporation for approval by the Board of Directors. The treasurer shall provide the University with quarterly reports of expenditures based on a July 1 fiscal year, and will submit their annual budget to the University by May 1 for approval by the President and then submission for final approval by the Board of Trustees. The Treasurer shall work closely with the staff to ensure solvency and financial strength of the corporation. The Treasurer shall coordinate with the Business Manager to establish and maintain written procedures to execute the following responsibilities of the staff who will:

- Receive and keep the funds of this corporation;
- Pay out funds only in accordance with the guidelines established by the Board of Directors;
- Deposit all monies, checks, and other credits to the account of this corporation in such bank or banks or other depositories as the Board of Directors may designate;
- Review all receipts and vouchers for payment made to this corporation;
- Review all vouchers and checks made by this corporation;
- Regularly maintain a full and accurate account of all monies received and paid out on accounts administered by this corporation; and
- At all reasonable times exhibit the books and accounts to any Director of this corporation.

Section 4. Audit. The President of this corporation shall arrange for the auditing, at least annually, of the books, records, and accounts of this corporation by an independent certified public accountant. The annual audit and management letter shall be forwarded by the University President to the University Board of Trustees for review and oversight no later than the end of the fourth month following the close of the corporation's fiscal year. The annual audit shall be conducted in accordance with University Board of Trustees Regulation 6C2R-2.025.
Section 5. Vacancies. Vacancies in any office shall be filled by the University President at the Corporation’s regular annual meeting or at a meeting specifically called for that purpose.

Section 6. Compensation of Officers. The officers shall receive no special salary or compensation for being officers of this corporation other than their usual salaries as employees of Florida State University, if so employed.

ARTICLE VI
Amendments

The Bylaws of this corporation may be amended by a two-thirds vote of the current Directors of this corporation at any duly organized meeting, subject to final approval by the President of the University and the University Board of Trustees and all applicable Board of Governors and University regulations. Upon statutory enactments, amendments to existing laws or promulgation of rules affecting University support organizations by the University Board of Trustees or the University, the Board of Directors shall meet and amend the Bylaws to remain in conformity with such changes. A special meeting may be held for such purposes.

ARTICLE VII
Fiscal Year

The fiscal year of this corporation shall commence on July 1 of each year and end on June 30 of the following year.

ARTICLE VIII
Employment

Any person employed by the Corporation or serving as a Director shall not be considered to be an employee of the Florida State University Board of Trustees by virtue of such employment. The Corporation shall provide equal employment opportunities to all persons in accordance with the University’s non-discrimination policy.

ARTICLE IX
Indemnification

Section 1. Indemnification. Pursuant to Sections 607.0850 and 617.0831, Florida Statutes, any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding whether civil, criminal, administrative, or investigative (other than an action by, or in the right of, the Corporation), by reason of the fact that he is or was a Director or Officer of the Corporation shall be indemnified against expenses (including attorneys’ fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, including any appeal thereof, but only if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 2. Authorization of Indemnification. Any indemnification hereunder shall be made by the Corporation only upon a determination that
indemnification of the Director or Officer is proper in a specific case because he has met the standard of conduct set forth in Section 1 above. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding or, if such quorum is not obtainable, by a majority vote of a committee duly designated by the Board of Directors (in which Directors who are parties may participate) consisting solely of two or more Directors not at the time parties to the action, suit, or proceeding or by a committee comprised of individuals who were not parties to such action, suit, or proceeding where such committee is selected by a majority vote of the full Board of Directors (in which Directors who are parties may participate).